

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-01539A  
Rose Valley Water Company  
Gary Brasher  
PO Box 1444  
Green Valley, AZ 85622

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2006</b>
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FOR COMMISSION USE

<b>ANN 04</b>	<b>06</b>
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PROCESSED BY:

4-18-07

SCANNED

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>ROSE VALLEY WATER CO, INC.</u>		
<b>Mailing Address</b> <u>PO BOX 1444</u>		
(Street)		
<u>GREEN VALLEY, AZ 85622-1444</u>		
(City)	(State)	(Zip)
<u>(800) 850-4482</u> <u>(520) 625-9205</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>info@rosevalleywaterco.com (CUSTOMER CORRESPONDANCE ONLY)</u>		
<b>Local Office Mailing Address</b> <u>(none)</u>		
(Street)		
(City)	(State)	(Zip)
<u>Local Office Telephone No. (Include Area Code)</u> <u>Fax No. (Include Area Code)</u> <u>Pager/Cell No. (Include Area Code)</u>		
<b>Email Address</b> _____		

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>Gary Brasher</u> <u>President</u>		
(Name) (Title)		
<u>PO BOX 1444 GREEN VALLEY AZ 85622-1444</u>		
(Street)	(City)	(State) (Zip)
<u>(800) 850-4482</u> <u>(520) 625-9205</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>NONE</u>		
<b>On Site Manager:</b> <u>GLEN VORTHEMS</u>		
(Name)		
<u>8618 W JOHN CABOT RD PEORIA AZ 85382</u>		
(Street)	(City)	(State) (Zip)
<u>(623) 546-8266</u> <u>(623) 546-8528</u> <u>(602) 989-1310</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>gvgleg@cox.net</u>		

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** JACQUELINE BRASHER  
(Name)

PO BOX 1444 GREEN VALLEY AZ 85622  
(Street) (City) (State) (Zip)

(800) 850-4482 (520) 625-9205  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Attorney:** JOHN HELLENBOLT DUFFIELD, YOUNG, ADAMSON  
(Name)

3430 E SUNRISE, STE 200 TUCSON, AZ 85718  
(Street) (City) (State) (Zip)

(520) 792-1181 (520) 792-2859  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input checked="" type="checkbox"/> Subchapter S Corporation (Z)          |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____ |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE             | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM              | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA                | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI             | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

**COMPANY NAME** ROSE VALLEY WATER COMPANY, INC.

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	4,597	4,506	91
307	Wells and Springs	31,067	4,626	26,441
311	Pumping Equipment	68,669	66,261	2,408
320	Water Treatment Equipment	85,000	85,000	-0-
330	Distribution Reservoirs and Standpipes	39,772	39,667	105
331	Transmission and Distribution Mains	893,178	287,141	606,037
333	Services			
334	Meters and Meter Installations	22,041	17,179	4,862
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	14,725	12,023	2,702
341	Transportation Equipment	9,142	7,292	1,850
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>1,168,191</b>	<b>523,695</b>	<b>644,496</b>

This amount goes on the Balance Sheet Acct. No. 108

**COMPANY NAME** ROSE VALLEY WATER COMPANY, INC.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization		VARIOUS	
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	4,597		183
307	Wells and Springs	31,067		1,242
311	Pumping Equipment	68,669		253
320	Water Treatment Equipment	85,000		-0-
330	Distribution Reservoirs and Standpipes	39,772		209
331	Transmission and Distribution Mains	893,178		24,339
333	Services			
334	Meters and Meter Installations	22,041		514
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	14,725		261
341	Transportation Equipment	9,142		1,306
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>1,168,191</b>		<b>28,307</b>

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.

### **BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 44,464	\$ 77,493
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	83,579	16,364
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$128,043	\$93,857
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 1,013,401	\$ 1,168,192
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(495,388)	(523,695)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 518,013	\$ 644,497
	<b>TOTAL ASSETS</b>	\$ 646,056	\$ 738,354

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

<b>COMPANY NAME</b>	<b>ROSE VALLEY WATER COMPANY, INC</b>
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**BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 475,311	\$ 475,311
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	35,887	37,887
236	Accrued Taxes	6,334	2,877
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	90,000	30,000
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 607,532	\$ 546,075
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	371,030	563,920
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 371,030	\$ 563,920
	<b>TOTAL LIABILITIES</b>	\$ 978,562	\$ 1,109,995
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 20,000	\$ 20,000
211	Paid in Capital in Excess of Par Value	300,000	300,000
215	Retained Earnings	(652,506)	(691,641)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ (332,506)	\$ (371,641)
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 646,056	\$ 738,354

### **COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,108,860	\$ 1,171,517
460	Unmetered Water Revenue		
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	<b>\$ 1,108,860</b>	<b>\$ 1,171,517</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 351,221	\$ 486,941
610	Purchased Water		
615	Purchased Power	142,032	176,441
618	Chemicals	12,858	12,330
620	Repairs and Maintenance	40,190	49,210
621	Office Supplies and Expense	47,264	25,320
630	Outside Services	187,606	97,749
635	Water Testing	7,732	16,801
641	Rents	22,550	21,210
650	Transportation Expenses	16,262	16,707
657	Insurance – General Liability	122,169	124,305
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	22,339	28,307
408	Taxes Other Than Income	100,396	97,182
408.11	Property Taxes	79,275	50,386
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,151,894</b>	<b>\$ 1,202,889</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (43,034)</b>	<b>\$ (31,372)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 4	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	9,226	7,763
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ (9,222)</b>	<b>\$ (7,763)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (52,256)</b>	<b>\$ (39,135)</b>



COMPANY NAME

ROSE VALLEY WATER COMPANY, INC.

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 37,887

Meter Deposits Refunded During the Test Year

\$

Ø

<b>COMPANY NAME</b>	ROSE VALLEY WATER COMPANY, INC.
<b>Name of System</b>	<b>ADEQ Public Water System Number (if applicable)</b>

## WATER COMPANY PLANT DESCRIPTION

### WELLS

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-802981	15HP	80	20	876	3	
55-802980	200HP	575	20	1000	8	
55-571749	200HP	1200	20	1000	8	1999

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
N/A		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
15	6	200	
125	2		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
22,000	6	5,000	1
400,000	3	10,000	1

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME	ROSE VALLEY WATER COMPANY, INC.
Name of System	ADEQ Public Water System Number (if applicable)

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS \*(see other)**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	2089
3/4	
1	247
1 1/2	8
2	38
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

CHLORINATION SYSTEM

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STRUCTURES:

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OTHER:

\*SEE AS\_BUILT PLANS FILED AT CITY OF PEORIA-ENGINEERING DEPARTMENT

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*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME:	ROSE VALLEY WATER COMPANY, INC.
Name of System	ADEQ Public Water System Number (if applicable)

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	2397	28,693	32,605	Ø
FEBRUARY	2397	29,762	31,231	Ø
MARCH	2397	24,812	26,245	Ø
APRIL	2396	31,351	33,001	Ø
MAY	2396	38,812	44,568	Ø
JUNE	2397	44,096	48,732	Ø
JULY	2397	48,221	50,927	Ø
AUGUST	2398	58,314	61,450	Ø
SEPTEMBER	2398	41,722	44,638	Ø
OCTOBER	2398	40,283	46,491	Ø
NOVEMBER	2398	41,891	42,806	Ø
DECEMBER	2399	30,096	32,164	Ø
TOTALS →		458,053	494,858	Ø

What is the level of arsenic for each well on your system? .0052 POE 1  
*(If more than one well, please list each separately.)* .0054 POE2mg/l

If system has fire hydrants, what is the fire flow requirement? 1,000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
☒ Yes                      ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
☒ Yes                      ( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
( ) Yes                      ☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME Rose Valley Water Company, Inc. YEAR ENDING 12/31/2006

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 50,386.01

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6771

ROSE VALLEY WATER COMPANY, INC.

P.O. BOX 1536  
TUBAC, AZ 85646-1536  
PH. (520) 398-2506

JPMORGAN CHASE BANK, N.A.  
PHOENIX, ARIZONA 85073  
91-2-1221

4/16/2006

PAY TO THE  
ORDER OF

Maricopa County Treasurer

\$\*\*353.62

Three Hundred Fifty-Three and 62/100\*\*\*\*\*

DOLLARS

Maricopa County Treasurer  
P. O. Box 78574  
Phoenix, AZ 85062-8574

MEMO

#231-26-092 7

⑈006771⑈ ⑈122100024⑈

*Jacqui Brashers*  
⑈1249867⑈

⑈0000035362⑈

Details on back.  
Security Features included.

MP

000156 121 702 024 024N1 23176092 7 4/16/2006

GUARANTY OF  
INVESTMENT  
GUARANTEE  
ABSENCE OF FORFEITURE  
MENT GUARANTEED BY  
JPMORGAN CHASE, N.A.

05/12/06  
11/01/03

3340198160

6772

ROSE VALLEY WATER COMPANY, INC.

P.O. BOX 1536  
TUBAC, AZ 85646-1536  
PH. (520) 398-2506

JPMORGAN CHASE BANK, N.A.  
PHOENIX, ARIZONA 85073  
91-2-1221

4/16/2006

PAY TO THE ORDER OF Maricopa County Treasurer

\$\*\*12,609.02

Twelve Thousand Six Hundred Nine and 02/100\*\*\*\*\*

DOLLARS

Maricopa County Treasurer  
P. O. Box 78574  
Phoenix, AZ 85062-8574

MEMO #631-01-108 2

⑈006772⑈ ⑈12210002⑈

*Jacqueline Brasher* MP  
⑈12219667⑈ ⑈0001260902⑈

⑈068186 171 988 872 072N1 6318 168 2 4795866186

GUARANTY OF  
PAYEE WITH  
ENDORSEMENT  
ABSENCE OF ENDORSE-  
MENT GUARANTEED BY  
JPMORGAN CHASE, NA

05012006  
111901331

5346198158

6773

ROSE VALLEY WATER COMPANY, INC.

P.O. BOX 1536  
TUBAC, AZ 85646-1536  
PH. (520) 398-2506

JPMORGAN CHASE BANK, N.A.  
PHOENIX, ARIZONA 85073  
91-2-1221

4/16/2006

PAY TO THE ORDER OF Maricopa County Treasurer

\$\*\*11,854.06

Eleven Thousand Eight Hundred Fifty-Four and 06/100\*\*\*\*\*

DOLLARS

Maricopa County Treasurer  
P. O. Box 78574  
Phoenix, AZ 85062-8574

MEMO #631-01-102 9

⑈006773⑈ ⑆122100024⑆

*Agnes Brasher* MP  
16249667⑈ ⑈0001185406⑈

Details on back.  
Security Features Included.

⑈006773⑈ ⑆122100024⑆

PRINTED COPY OF  
THIS CHECK IS NOT VALID  
FOR DEPOSIT  
ADVISOR OF ENDORSE  
MENT GUARANTEED BY  
JPMORGAN CHASE/NA

05012006  
111901331  
5346193159



6971

ROSE VALLEY WATER COMPANY, INC.

P.O. BOX 1536  
TUBAC, AZ 85646-1536  
PH. (520) 398-2506

JPMORGAN CHASE BANK, N.A.  
PHOENIX, ARIZONA 85073  
91-2-1221

10/1/2006

PAY TO THE ORDER OF Maricopa County Treasurer

\$\*\*12,193.73

Twelve Thousand One Hundred Ninety-Three and 73/100\*\*\*\*\*

DOLLARS

Maricopa County Treasurer  
P. O. Box 78574  
Phoenix, AZ 85072-2133

MEMO #631-01-102-9

⑈00697⑈ ⑈12210002⑈

*Jacque Brashe* MP  
⑈1219667⑈ ⑈0001219373⑈

Bank of America for  
Maricopa County Treasurer  
Acct 004879463057

11062406  
111701331

4140534482

BANK OF AMERICA N.A. TPE  
#1221017064 E3468 90 P07  
11/03/06

3550792748

6968

ROSE VALLEY WATER COMPANY, INC.

P.O. BOX 1536  
TUBAC, AZ 85646-1536  
PH. (520) 398-2506

JPMORGAN CHASE BANK, N.A.  
PHOENIX, ARIZONA 85073  
91-2-1221

10/1/2006

PAY TO THE  
ORDER OF

Maricopa County Treasurer

\*\*12,882.90

Twelve Thousand Eight Hundred Eighty-Two and 90/100\*\*\*\*\*\$\*\*\*\*\*

Maricopa County Treasurer  
P. O. Box 78574  
Phoenix, AZ 85072-2133

DOLLAR

MEMO #631-01-108-2

⑈006968⑈ ⑆122100024⑆

*Jacque Brasher*  
⑈1219667⑈ ⑆0001288290⑆

Bank of America for  
Maricopa County Treasurer  
Acct 004378463057

BANK OF AMERICA NA TPE  
⑈1221017064⑆ F3566 90 P07  
10/02/06

1002004  
11901331

5540309862

3150783113

ROSE VALLEY WATER COMPANY, INC.

P.O. BOX 1536  
TUBAC, AZ 85646-1536  
PH. (520) 398-2506

JPMORGAN CHASE BANK, N.A.  
PHOENIX, ARIZONA 85073  
91-2-1221

10/1/2006

PAY TO THE ORDER OF Maricopa County Treasurer

\$\*\*492.68

Four Hundred Ninety-Two and 68/100\*\*\*\*\*

DOLLARS

Maricopa County Treasurer  
P. O. Box 78574  
Phoenix, AZ 85072-2133

MEMO

#231-26-092 7

⑈006969⑈ ⑆122100024⑆

*Jacque Brashe* MP  
⑆1249667⑈ ⑆0000049268⑆

Details on back.  
Security Features included.

Bank of America for  
Maricopa County Treasurer  
Acct 004379463057

BANK OF AMERICA NA TFF  
⑆122101704⑆ F3566 90 P07  
11/02/06

11/02/06  
11/01/06

5540309861

3150789112

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

**VERIFICATION**

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)
<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Gary Brasher - President</u>
COMPANY NAME
<u>Rose Valley Water Company, Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING


MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
800-850-4482  
\_\_\_\_\_  
TELEPHONE NUMBER

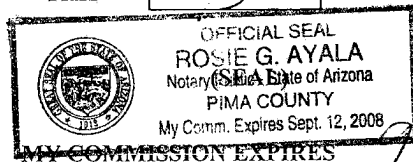
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

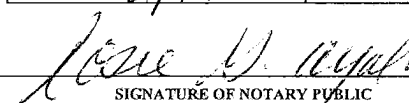
13

DAY OF APRIL  
2007



MY COMMISSION EXPIRES 9-12-2008

COUNTY NAME
<u>PIMA</u>
MONTH
<u>APRIL</u>
<u>2007</u>

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Rose Valley Water Company, Inc YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

N/A "S" Corp

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

State Taxable Income Reported

Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

4/10/2007  
DATE

Gary P. Brasher  
PRINTED NAME

President  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Gary Brasher - President</u>
COMPANY NAME
<u>Rose Valley Water Company Inc</u>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 1,171,516.62

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 97,181.83  
IN SALES TAXES BILLED, OR COLLECTED)

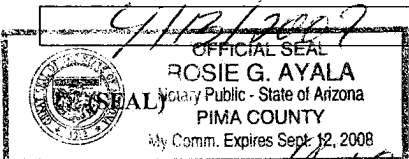
**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

[Signature]  
SIGNATURE OF OWNER OR OFFICIAL  
800-850-4482  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME		
<u>Pima</u>		
MONTH	<u>April</u>	<u>2007</u>

MY COMMISSION EXPIRES

[Signature]  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE**  
Intrastate Revenues Only

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>Gary Prasher</u>	TITLE <u>President</u>
COMPANY NAME <u>Rose Valley Water Company, Inc</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>937,213.30</u>
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THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 89,035.25  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

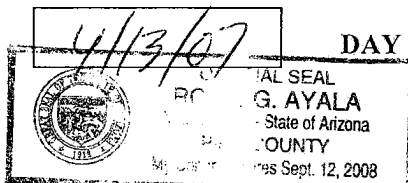
[Signature]  
SIGNATURE OF OWNER OR OFFICIAL  
800-850-4482  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 4/13/07 DAY OF

(SEAL)



MY COMMISSION EXPIRES 9-12-2008

NOTARY PUBLIC NAME <u>Rosie G. Ayala</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>April</u>	20 <u>07</u>

X [Signature]  
SIGNATURE OF NOTARY PUBLIC